IN THE CLAIMS (CORRECTED):

Please amend the claims to read as follows. The following is a complete listing of all pending claims in this application, and replaces any prior listing.

1.   (currently amended) A method for distributing property in an insolvency proceeding, comprising:

establishing a financial arrangement between a responsible party and a debtor in the insolvency proceeding, the financial arrangement including terms for paying claims against the debtor;

offering, by the responsible party, to pay a **at least one** creditor having a claim against the debtor a predetermined payment amount in satisfaction of the entire claim against the debtor; and

if the creditor accepts the offer, paying the predetermined payment amount to the creditor,**wherein said offering to pay by the responsible party includes paying said creditor in advance of final distribution in the insolvency proceeding.**

2.   (original) The method of claim 1 wherein the payment of the predetermined payment amount is completed within a predetermined time period.

3.   (original) The method of claim 2 wherein the predetermined time period is one of a month, a week and a day.

4.   (currently amended) The method of claim 1**, further** comprising:

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if the creditor does not accept the offer, paying the creditor in accordance with a payment plan established by a third party overseeing the insolvency proceeding.

5.   (original) The method of claim 4 wherein the third party includes one of a state bankruptcy court and a federal bankruptcy court.

6.   (currently amended) The method of claim 1, **further** comprising:

providing, after paying all claims against the debtor, any remaining proceeds of all assets of the debtor involved in the insolvency proceeding to the ~~insuring or other financially~~ responsible party.

7.   (original) The method of claim 1, wherein the responsible party includes a financial institution.

8.   (currently amended) The method of claim 1, wherein **said at least one** ~~the~~ creditor includes a plurality of creditors of the debtor.

9.   (currently amended) The method of claim ~~1~~ **4**, wherein the predetermined payment amount **offered by the responsible party** differs from an amount paid **for the same claim** in the payment plan established by the third party.

10.   (original) The method of claim 1, wherein the insolvency proceeding includes a bankruptcy proceeding.

11.   (currently amended) The method of claim 1, comprising:

establishing a distribution plan;

identifying subject property of the debtor; and

wherein the ~~insurance policy~~ **financial arrangement's** terms include paying

claims against the debtor by the ~~insuring~~ **responsible** party as a function of an analysis of

the subject property by the ~~insuring~~ **responsible** party.

12.   (currently amended) The method of claim 1, wherein the ~~insurance policy~~

financial arrangement obligates the ~~insuring~~ **responsible** party to pay all claims against

the debtor.

13.   (original) The method of claim 1, wherein the financial arrangement includes an

insurance policy.

14.   (original) The method of claim 13, wherein the responsible party includes an

insurer.

15.   (original) The method of claim 14, wherein the insurer includes one of an

insurance company or a reinsurance company.

16.   (currently amended) A system for distributing an insolvent debtor's property to a

plurality of creditors in an insolvency proceeding, wherein a responsible party host server

and a plurality of clients for each of the plurality of creditors are coupled to a data

communications network, the responsible party host server including:

computer programmable means for communicating with the plurality of creditors,

the responsible party and the debtor **in the insolvency proceeding**;

computer programmable means for establishing a financial arrangement between the responsible party and the debtor;

computer programmable means for maintaining a database containing information regarding the debtor and each of the plurality of creditors;

computer programmable means for calculating an amount of final payment to be offered to each of the plurality of creditors;

computer programmable means for providing an offer of the amount to each of the plurality of creditors **to be paid in advance of final distribution in the insolvency proceeding**;

computer programmable means for processing one of an acceptance and a rejection of by each of the plurality of creditors of the offer; and

computer programmable means for processing claim payments to each of the plurality of creditors that accepts the offer.

17.   (original) The system of claim 16, wherein the financial arrangement includes an insurance policy.

18.   (original) The system of claim 17, wherein the responsible party includes an insurance company.

19.   (original) The system of claim 16, wherein the insolvency proceeding includes a bankruptcy proceeding.

20.   (original) The system of claim 16, wherein the payment of the offered amount is completed within a predetermined time period.